GOVERNMENT OF ANDHRA PRADESH
A B S T R A C T

Transport, Roads & Buildings Department - Establishment of a Corporation in the name style of Andhra Pradesh Rail Infrastructure Development Corporation Limited to develop railway network in Andhra Pradesh - Orders – Issued.

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TRANSPORT, ROADS AND BUILDINGS (TR.II) DEPARTMENT

G.O.Ms.No.35 Dated: 07.08.2017

Read the following:

1. From Hon'ble Minister for Railways Lr. No.2014/W-I/ Genl./ SPV/Odisha, dt. 18.12.2014.
2. Letter dt. 27.01.2015 addressed to Ministry of Railways, GOI, New Delhi.
3. From the Executive Director (JV), Ministry of Railways, GoI, Letter No.2016/W-I/Gen/SJV/WTD, dt. 11.01.2017.
4. Govt. Lr.No.983/Tr.II/2/2015, TR&B (TR.II) Department, dt. 19.04.2017.

ORDER:

In the reference first read above, the Hon'ble Minister for Railways, Government of India has requested the State Government to partner with Indian Railways in its endeavour to develop Railway Network in the Country and for consent of the State Government to form Special Purpose vehicle(SPV) for raising of funds for development of network in Andhra Pradesh State and after receipt of consent a formal MoU shall be executed.

2. In the reference second read above, the Government of Andhra Pradesh has conveyed willingness to partner with Indian Railways to develop Railway infrastructure in Andhra Pradesh through Special Purpose Vehicle (SPV) for this purpose and also to sign the formal MoU for the same.

3. Accordingly, the Joint Venture Agreement was signed between the Government of Andhra Pradesh and the Ministry of Railways on 30.12.2016. As per the terms of Joint Venture Agreement, the Government of Andhra Pradesh will incorporate the JVC as a public company under the Act to carry the Business. Upon the incorporation of the JVC, the JVC will forthwith execute the Deed of Adherence, agreeing to be bound by the terms of the Agreement. The initial authorized share capital of the JVC will be Rs. 100 Crores (Rupees One Hundred Crore only), divided into 10 crore Equity Shares. The initial paid up share capital of the JVC will be Rs. 50 crore (Rupees fifty crore only), divided into 5 Crore Equity shares. The initial subscribers to the memorandum of association of the JVC will be Government of Andhra Pradesh and the nominees of Government of Andhra Pradesh for holding Equity Shares in the JVC. Upon issuance of Ministry of Railways Securities and Government of Andhra Pradesh Securities on the Closing Date, the shareholding pattern of the Company will be as follows;

Name of the Share Holder	No.of Equity Shares of Face Value Rs. 10/- each	Subscription Amount (in Rs.)	Post Subscription paid up equity capital (in Rs.	Post subscription share-holding
Ministry of Railways	4,90,00,000	49,00,00,000	49,00,00,000	49%
Government of Andhra Pradesh	5,10,00.000	51,00,00,000	51,00,00,000	51%

4. The JVC will be incorporated in Amaravathi, Vijayawada, as its registered office at Amaravathi, Vijayawada in the name of Andhra Pradesh Rail Infrastructure Development Corporation Ltd., as the relevant Registrar of Companies.

Contd..page 2

5. In the reference third read above, the Executive Director (JV), Ministry of Railways has stated that the Joint Venture Agreement on executive of Railway Projects, the Ministry of Railways have embarked upon cooperative federalism by giving active representation to States in planning, development , financing and implementation of Railway projects as per State's priority through formation of State Joint Venture Company (State JVC) which will mutually identify Railway projects, undertake survey, prepare Detailed Project Report (DPR) and arrange statutory approvals & sanction.

6. The Executive Director (JV) has stated that JVs will be structure as lean organizations with bare minimum staffing, a typical organizational structure for consideration and consent as detailed below:-

<table>
<tr><td colspan="7">BOARD OF DIRECTORS</td></tr>
<tr><td colspan="7">CHAIRMAN (Chief Secretary of State)</td></tr>
<tr><td colspan="7">MANAGING DIRECTOR
(Jointly selected by Railways and State)</td></tr>
<tr><td colspan="4">(NOMINEES OF RAILWAY)</td><td colspan="3">(NOMINEES OF STATE)</td></tr>
<tr><td>Independent Director</td><td colspan="2">Director (Project & Planning)</td><td>2 Part time Directors</td><td>2 Part Time Directors</td><td>Director (Business Development and Finance)</td><td>Independent Director</td></tr>
<tr><td></td><td>PA</td><td>Tech Asst.</td><td></td><td></td><td>Fin. Asst.</td><td>PA</td><td>_</td></tr>
<tr><td></td><td colspan="2"></td><td>PS</td><td>Protocol Officer</td><td colspan="2"></td><td>_</td></tr>
<tr><td></td><td colspan="2"></td><td>Administrative Assistant(HR)</td><td>Company Secretary</td><td colspan="2"></td><td>_</td></tr>
<tr><td colspan="7">TEAM OF TECHNICAL, FINANCIAL AND LEGAL CONSULTATNTS (Mix of job work & Retainers</td></tr>
<tr><td colspan="7">Note: Middle Management Officers of adequate experience may be inducted into the JV as Bench Strength for being deputed to Project Specific SPV in future as soon as the DPR of any Project gets ready and/or likely to be sanctioned.

IND DIR : Independent Director
DIR (P&P) : Director (Project and Planning) to be nominated by State.
DIR (BD&F): Director (Business Development and Finance) to be nominated by State.
PO : Protocol Officer
AA (HR) : Administrative Assistant (Human Resource)</td></tr>
</table>

7. Further, laying down of certain eligibility criteria for the post of Managing Director (MD) will held the Selection Committee (comprising of equal number of Members from Railways and States) in maintaining uniformity among various State JV Companies. Railway Board has considered the issue and suggest following criteria for consideration and consent;

1. A min of 25 years of Group-A service of which at least 5 years shall be in SAG.
2. Age $\leq$ 55 years as on 31st March of the year in which the advertisement has been issued.
3. Experience of 5 years or more in planning/design/execution of Railway related Infrastructure Projects.
4. It is desirable to have the experience of project report preparation, sanction, resource mobilization and coordination with other Ministries / stakeholders.

Contd..page 3

8. In the reference fourth read above, the State Government have given consent to the proposal of Railway Board with respect to suggested eligibility criteria for Managing Director of State JV, and other aspects in the proposed organization chart.

9. Government after careful examination of the matter hereby establish a Corporation in the name style of Andhra Pradesh Rail Infrastructure Development Corporation Limited under the Chairmanship of Chief Secretary to Government with the organizational structure proposed by Railway Authorities as at para-6 above with other terms and conditions as per the Joint Venture Agreement.

10. The Corporation will work as per the Joint Venture Agreement executed on 30.12.2016 with Government of Andhra Pradesh and Ministry of Railways to develop rail network and infrastructure in the state of Andhra Pradesh.

(BY ORDER AND NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SUMITA DAWRA
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Chairman of the Corporation. (Chief Secretary to Govt. A.P.,
The Executive Director (JV), Ministry of Railways, New Delhi.
The General Manager, South Central Railways, Rail Nilayam, Sec'bad.
The General Manager, Western Railways,

Copy to:

The Engineer in Chief (R&B)
The Transport Commissioner, A.P., Vijayawada.
The Public Enterprises Department
The Law Department.
The Finance (FMU-TRB)) Department.
The General Administration (Cabinet) Department.
The Chief Engineer, Buildings & Railways.
The Private Secretary to Chief Minister.
The Private Secretary to Minister (Transport),
The Private Secretary to Chief Secretary.
SC/SF

//FORWARDED BY ORDER//

SECTION OFFICER